THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN

CRIMINAL PETITION NO. 5039 OF 2004

Date: 29.03.2006

Between:

1. The Manager, Shriram Chits Pvt. Lted., R.C.Road, Tirupathi and another.

... Petitioners/Accused No.2 and 3

and

1.State of A.P. rep.,by Public Prosecutor and another.

... Respondents.

THE HON'BLE SRI JUSTICE RAMESH RANGANATHAN

CRIMINAL PETITION NO. 5039 2004

ORDER:

This petition is filed to have the proceedings in Cr.No. 59 of 2004 on the file of S.V. University Police Station, Tirupathi quashed.

2. The 2nd respondent herein filed the complaint before the Deputy Superintendent of Police, Tirupathi wherein he stated that he along with Sri Rajendrakumar had started a chit worth of Rs.25,00,000/- with the 2nd

petitioner herein, that he had participated in the auction held on 15.11.2002, that the bid was awarded in his favor, that he had received a sum of Rs.5,46,700/- by way of demand draft and that the remaining amount was kept as deposit in the chit fund company. When he approached the 1st accused, (the Development Officer of the 3rd accused company), after completion of the chit installments, the 1st accused is said to have replied that the documents were with the Hyderabad Office and that after some time all these documents would be collected. On coming to know that the 1st accused had cheated many members in money matters, the complainant is said to have approached the 2nd petitioner herein to refund the remaining amount. On that the 2nd petitioner is said to have informed that there were several transactions linked to Sri B.O. Balaji, and that he cheated the company also. When the complainant intended to make a complaint with the police station, Sri B.O. Balaji is said to have informed him that a sum of Rs.10,00,000/- was received by the company and the remaining amount of Rs.5,00,000/- was utilized by him. Sri B.O. Balaji is said to have promised to draw the amount of Rs.10,00,000/- from the company and to pay the balance amount of Rs. 5,00,000/- in installments. The complainant requested that chit fund company accounts be verified and that necessary action be taken against the culprits.

3 . Sri C. Raghu, larned Counsel for the petitioner, would submit that the uncontroverted allegations in the complaint would, even if taken as true, not attract the ingredients of Sections 3, 4, 5 and 6 of the Prized Chits & Money Circulation Schemes (Banning) Act 1978 or Section 420 IPC. While the said submissions of the learned Counsel cannot be said to be without merit, it cannot be lost sight of that the present petition is filed to have the proceedings in Cr.No. 59 of 2004 quashed even before the matter has been investigated into.

4. The Criminal petition as filed is premature and is accordingly dismissed. Needless to state that this order shall not preclude the petitioners herein, if they so choose, from invoking the jurisdiction of this Court under Section 482 Cr.P.C. after a charge sheet is filed.

_____

RAMESH RANGANATHAN, J

Date: 29.03.2006

MRKR